

QUESTIONS SUBMITTED EXCLUSIVE FOR THE ADVERTISING CONCESSION AT NEIGHBOR ISLAND AIRPORTS

Questions:

1. Brochure Racks – 10% in Proposal Package (page IP-12) but 15% in Concession Agreement (C-11), please clarify the allowable mark-up percentage.

ANSWER: The appropriate percentage is 10%. A corrected page C-11 has been posted on the website.

2. Where are the excess brochures/magazines currently stored at the Airport for restocking purposes?

ANSWER: Excess brochures/magazines are stored at various locations at each of the airports.

3. Will the successful bidder be required to pay for the current brochure/magazine storage space or will they be allowed to utilize it for free?

ANSWER: The concessionaire will be charged square footage floor rent for the brochure racks and any storage locations.

4. What do the "Tourism Information Rack" advertisers currently pay to be posted at the airport?

ANSWER: The State does not charge the advertisers for the use of the brochure racks.

5. Does the State pay an outside source to stock the "Tourism Information Rack" or another party?

ANSWER: The State uses its own staff to stock the Tourism Information Racks.

6. Who currently operates the "Advertising Call Boards" at each airport?

ANSWER: The Advertising Call Boards are currently operated under a Revocable Permit by JC Decaux.

7. What is the current square footage “Space Rent” rate?

ANSWER: The current square footage space rent rate differs by airport.

8. Property Taxes – are these due on fixtures and if so how are they calculated?

ANSWER: Property taxes are determined and applied by the individual Counties. The State has no part in the determination or calculation of such taxes.

9. Is advertising allowed in the gate hold areas?

ANSWER: Gate hold areas differ significantly from airport to airport. A determination as to whether advertising will be allowed there will be made on an airport by airport basis.

10. Is audio allowed on welcome/meet and greet booths in the bag claim areas?

ANSWER: Currently, there are no welcome/meet and greet booths in the bag claim area. The STATE would need to see a plan for audio so it can be assured it does not interfere with any safety or airport announcements.

11. Would the state consider removing production and installation revenue from the “Gross Revenue” definition? Sharing based on splits makes these costs extremely high to the advertiser and in most cases cost prohibitive.

ANSWER: The STATE believes that if the Concessionaire is separately charging the advertiser to produce and install the advertising, the revenue generated from such activity should be part of the Concession.

12. For the Neighbor Islands – will the State allow the Concession Manager to be domiciled in Maui or the other Neighbor Islands vs Honolulu?

ANSWER: The STATE is willing to have the Neighbor Island Advertising Concessionaire to have its domicile on a Neighbor Island.

13. Will the State provide engineering floor plans or maps to add each display location?

ANSWER: The Concession may request terminal plans or maps from the specific airport manager's office.

14. Will the State provide enplanement information by day of the week, airline and gate?

ANSWER: The STATE does not maintain enplanement information by day of the week or by gate.

15. Will the State provide enplanement information for 2015?

<i>AIRPORT</i>	<i>Deplaned Pax</i>	<i>Enplaned Pax</i>	<i>Total Pax</i>
<i>HNL</i>	<i>9,770,782</i>	<i>9,789,917</i>	<i>19,560,699</i>
<i>OGG</i>	<i>3,341,783</i>	<i>3,336,989</i>	<i>6,678,772</i>
<i>KOA</i>	<i>1,514,216</i>	<i>1,523,930</i>	<i>3,038,146</i>
<i>LIH</i>	<i>1,411,934</i>	<i>1,409,064</i>	<i>2,820,998</i>
<i>ITO</i>	<i>688,407</i>	<i>656,189</i>	<i>1,324,596</i>

QUESTIONS SUBMITTED FOR BOTH THE ADVERTISING CONCESSION AT
HONOLULU INTERNATIONAL AIRPORT AND NEIGHBOR ISLAND AIRPORTS

1. In order to provide all the required information requested in the Additional Required Contents of Proposal Package in a clear and visible format, Section G. Capital Investment Plan, 7, would the State allow proposers to submit their renderings, maps and any supporting information like organizational charts on 11x17 paper?

ANSWER: The State does not have any objection to submission of information like organizational charts on 11x17 paper. However, it is the proposer's responsibility to comply with provision of Section G.

2. In Section H. Financial Return to the State of the Additional Required Contents of Proposal Package, proposers are required to provide five-year projections of Gross Revenue. Is this all the State requires even though the proposed term for the contracts is seven years? Please confirm.

ANSWER: While the State would not object to a projection covering the entire Concession Agreement term, the requirement is for a five-year projection.

3. Will the State provide the company names of those who were invited to propose on the Proposal Packages for the Honolulu International Airport and the Neighbor Islands Airports?

ANSWER: No. The State does not believe such information is necessary for the preparation of a proposal.

4. Will the State provide CADD maps for all five airports?

ANSWER: The State will provide what information it has in response to specific requests.

5. a. Does the State charge stocking fees on the brochure distribution to the local businesses?

ANSWER: The State currently does not charge any fees to the companies providing brochures to be displayed in the kiosks.

- b. If so what is the charge for HNL and the Neighbor islands?

ANSWER: Please see answer to Question 5.a. above.

6. The timeline from award to contract start date does not allow enough time for final location approval, design, engineering, ordering of equipment, sales implementation and installation. Will the State allow for an interim period for start-up along with a staggered installation timeline for the Honolulu International Airport and the Neighbor Islands Advertising Concessions?

ANSWER: The State is willing to consider a staggered installation timeline and interim start-up period. The details of any such installation timeline and interim start-up period should be included in the proposal.

7. Will the State consider fixing the MAG at \$500,000 for Honolulu International Airport and \$250,000 for the Neighbor Islands Advertising Concession as it is difficult to “bid” a MAG when no locations have been approved and finalized?

ANSWER: The State will not make the requested change.